

# Memo

## **Clay County Assessor's Office**

To: Barry Wood, Assessment Division Director  
From: D. Mark Barnhart, Clay County Assessor  
CC: William A. Birkle  
Date: 5/5/2011  
Re: Clay County, Indiana Trending & Ratio Study

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Dear Mr. Wood,

We are pleased to submit Clay County's 2011 Ratio Study for review by the DLGF. Below, you will find some of the key information pertaining to the process used in our county.

Clay County is a highly rural county with the predominant number of sales activity centered near our largest city, Brazil.

Due to overall lack of valid sales within Clay County, we additionally utilized sales from 2009 to provide an adequate volume of sales to ensure proper testing of our counties performance. Due to the lack of multiple transactions and overall sales, we did not time adjust the 2009 sales.

Two townships, Cass and Washington, were combined for testing of the Improved Residential property class. Cass only had two sales and Washington only had three sales. These townships are contiguous and their markets are very similar.

For the property class of Unimproved Residential Land, a lack of adequate sales forced the county to employ alternative methods. We did have twelve sales countywide and performed the ratio study on a countywide basis. The land to building ratio was studied to test the median percentage of allocation to land and buildings. In Clay County, the land to building ratio is 1:5 or more precisely, 18% of the total assessed value. This is within the commonly accepted range of 16%-22% found from previous land analysis. With the Improved Residential ratio study meeting the IAAO standards and the land allocation level at 18%, one can reasonably assume the unimproved land is properly assessed in accordance with industry standards.

The 2011 Ratio Study for both vacant and improved commercial and industrial properties in Clay County also yielded few sales, even after utilizing 2009 sales.